

Agency Gave Initial Approval to Montgomery-Based Company; Final Formal Review Process Now Ongoing, But Biggest Hurdle Has Been Cleared

For Over Two Years, Schumer and Hinchey Have Fought Hard To Secure Funding for This Project

Washington, DC - U.S. Senator Charles E. Schumer and Congressman Maurice Hinchey (D-NY) today visited Taylor Recycling Facility to announce that the U.S. Department of Energy (DOE) has given initial approval and is poised to give a final sign off on a \$100 million loan guarantee for the company to construct and operate a biomass facility in Montgomery, New York. The project will create 400 local jobs in the construction phase and an additional 80 full-time positions in Orange County once the plant is in operation. DOE is beginning its final due diligence review of the project.

Schumer and Hinchey were joined by County Executive Edward Diana and other community and business leaders for the announcement, which will enable the construction of a site that would be the nation's first commercially-sized biomass gasification facility that utilizes municipal solid waste (MSW) to produce electricity.

"After years of work, we are at the one yard line with this project," said Schumer. "Over 100 million dollars in investments and hundreds of jobs are within our grasp. Once the project is completed, this will be the preeminent place in the country for people to learn about biomass energy, and other pioneering companies will be encouraged to choose the region for their new projects. This investment isn't just good news for Taylor Biomass and the people they will employ, but good news for the entire Hudson Valley economy."

"I'm delighted that the Taylor Biomass Energy proposal is now poised to become a reality now that the DOE has given it the green light and is undergoing a final review process -- a stage which only a handful of projects across the nation have reached in applying for critical federal loan guarantees," said Hinchey. "Taylor's proposal will have very significant and positive economic impacts for our entire region as it creates hundreds of local jobs while commercializing a biomass energy project that we hope can be replicated around the country. This technology will allow local workers to produce clean, renewable energy right here in the Hudson Valley while also helping to deal with our area's solid waste in an environmentally-responsible manner."

"I am extremely pleased that DOE has decided to move forward with Taylor's application, bringing it one step closer to fruition," said Congressman John Hall (NY-19). "I have met with Jim Taylor and toured his facility several times, advocating to DOE on their behalf because I truly believe in this technology which will not only create jobs, but turn our trash into renewable energy. I applaud Jim and his team today on a decision that will have economic and environmental benefits for generations to come."

For two years Schumer and Hinchey have worked to move the project forward. Both law makers have personally spoken with United States Department of Energy (DOE) Secretary Steven Chu in support of the final approval for the loan guarantees, and both have sent strong letters of support. The congressman also toured the Taylor Recycling facility in Montgomery in 2008 with senior biomass staff at the U.S. Department of Energy, and has supported the project through the local environmental review process in the Town of Montgomery. Schumer started his advocacy after visiting the facility in December of 2008, and was able to pass legislation ensuring that the company had access to clean energy tax credits.

The \$104 million loan guarantee program will be funded in part through the American Recovery and Reinvestment Act of 2009, which Schumer and Hinchey strongly supported and voted for in order to preserve and create well-paying jobs, promote local and state fiscal stabilization, and accelerate the development of renewable energy technologies that could be replicated in other areas of our country. Taylor's proposed biomass gasification facility enjoys strong support from the community, including from Orange County, which has committed to direct its solid waste to the facility. In addition to creating local jobs, the plant would also help to increase the revenues and lower the tax burden for people living in the Town of Montgomery, County of Orange, and the State of New York and provide significant positive direct and indirect economic impacts.

Taylor Biomass Energy submitted the first part of its application for the loan guarantee in September 2009. After receiving approval for the initial application, the company submitted the second phase of the application in January 2010. The company recently received notification that it was among only a handful of projects across the nation to move forward towards final federal review. In addition to the federal loan guarantee, the company will also be entitled to receive a 30 percent federal tax credit made available for renewable energy projects once it begins its generation of electricity. Schumer and Hinchey both supported the renewable energy tax credit.

Taylor Biomass Energy has previously received funding for this project through the New York

State Energy Research and Development Authority (NYSERDA) and has worked diligently with local and state agencies to move this important initiative forward. Taylor's current operation, in which the company recycles the large percentage of the construction and demolition debris it accepts, demonstrates the company's innovative approach to waste management and its longtime commitment to environmental sustainability.

Loan guarantees are an innovative approach that the federal government can use to support job growth in local communities while minimizing the use of taxpayer dollars. Under government loan guarantee programs, companies like Taylor Biomass go through an intensive vetting process during which the viability of the company's business plan is judged against factors like community interest and initial private investment. By guaranteeing the loan, the federal government spurs entrepreneurs to invest in the project because they know that their investment is safe. Approving this application for a loan guarantee would give Taylor Biomass the leverage they need to seek out additional private investment and begin the process of creating jobs and driving growth more quickly.